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**Investment Securities
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**Correspondents of
BARING BROTHERS & CO., LTD.
LONDON**

FINANCIAL NEWS AND COMMENT

**Stock Market Resists the Influences of a Panic Day
Abroad.**

RALLIES TOWARD CLOSE

**Derangement of Foreign Exchange—\$7,000,000 More
Gold Exports.**

RAILROAD AND OTHER BONDS.

Transactions From Opening to 2:45 P. M.

Although Europe had, as a whole, the worst stock market panic yesterday that has been witnessed in a generation, its violence being emphasized by the series of collapses and demoralized decline experienced in the last two years, a wonderful degree of stability was manifested by quoted values in Wall Street under a variety of trying circumstances. There was not only the reflection of foreign stock market upheaval to contend with, but foreign exchange was thrown into a condition of extreme derangement and exchange rates rose to a level at which gold could be profitably exported to any part of the world. As it was \$7,000,000 more gold was engaged on the new movement, making a total of \$13,000,000 since exports were renewed last week and bringing the total for the year up to \$100,000,000.

Nevertheless, and despite a total lack of believable information from the other side, the primary American stock market gave every indication that values were too strongly based now in sound conditions to be seriously impaired by the European war portents. The test of the actual outbreak of hostilities abroad on a collision course was evidently not fully comprehended by the imagination, but in face of the menace of such a war, American finance has so far given an excellent account of itself. The dealing in stocks swelled into an aggregate of almost half million shares and there was undoubtedly some liquidation of speculative pressures, but the general tone was that of a return of American stocks home.

The signs of the session were, however, that there was not much domestic selling to come into the market at this level of prices, and judging from the tenor of comment in various quarters there is a large amount of buying power in reserve to take advantage of purchasing opportunities which may be afforded, while the energies of the soldiers of American securities were compelled to make. This is not to say that the Wall Street share list was not further affected adversely by the threatening aspect of European affairs. It was, but the losses sustained were not serious and the tone of the market in the late dealings was good.

All accounts agreed that financial Europe had had a terrific day, which was practically completed when the Wall Street week opened. The closing of the bourses at Vienna, Brussels and Budapest and the suspension of business on the Paris curb, together with action taken by bankers at Berlin, St. Petersburg and elsewhere to protect the markets for securities were proof of the convulsive violence through which Europe was passing on the fearful threat of an awful clash of arms.

Great declines in values were reported from the Continent and demoralization was heavily reflected in London. British consols at one stage were carried down to 71, the lowest price since 1821, irrespective of the forthcoming settlement in Ireland, and the unfortunate encounter between British troops and the Irish Nationalist Volunteers in Dublin gave such a dismal turn to the Irish home rule crisis as must of itself have dealt the London stock market a hard blow. Consideration of this particular development was obscured by the matter of vaster consequences overshadowing all civilized countries, but it cannot be dismissed from the reckoning.

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During the forenoon there was a rush of foreign sales which carried the whole Wall Street list down, but in the early afternoon transactions were in diminished volume and stocks steadied. In the last hour, when it was seen that there was no significant recurrence of foreign buying, rallying tendencies were displayed, and a somewhat steady state was disclosed as traders endeavored to retire short commitments. The close was firm, and although there was an extensive array of fairly substantial losses, these were much less than had been noted in the morning.

Debates were principally made in the international list, but some special offers of foreign exchange were made, and in general securities demand was as much underlying dimension as those in which a bear account had been accumulated. Throughout the day the resistance offered to pressure by United States Steel, which is widely held in Europe, was a great supporting influence to other descriptions. A striking feature of the day was the marked firmness of New Haven.

There was of course a great ventilation of opinion, conjecture and prophecy as to the outcome of the imbroglio precipitated by Austria's demands on Serbia. There was also a copious circulation of more or less dubious and unauthenticated advices, mainly optimistic, which purported to have emanated from sources less informed circles at European centres, less local financial community refused to surrender the conclusions of reason, every one of which was against the probability of a general war abroad, although it was admitted that such a war would be the result of reason and not amenable to processes of logical analysis.

At the same time faith was placed in the fact that the most militant hostilities were delayed, the less likely they were to occur because of the increasing influence of public opinion and by statements like deliberation. Hope was especially reposed in the efforts of Sir Edward Grey to arrange a conference of the Powers for the purpose of maintaining peace or at the worst to limit the scope of hostilities if that is conceivably possible.

The commodity markets were less excited than might have been expected. There was a slight lull in the buying in wheat, the rest of the advances were lost before the end of the day. It was in the international money market that interest outside of the stock market was chiefly centred.

Of the gold engagements already noted \$5,000,000 was taken for shipment

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Naturally enough there was not much business doing in the open market at these prices, which were a response to various causes. One was the advance of 1 per cent and more in discounts all over Europe. Another was the embarrassed position of the speculative short interest in foreign exchange. Still another was said to be the complication of insurance questions with the risks of war.

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